

**THE BOROUGH OF HANOVER
PRESS RELEASE**

**CABLE TELEVISION FRANCHISE AGREEMENT MODIFICATIONS
FEBRUARY 1, 2020**

Under the United States Federal Cable Communications Policy Act of 1984, as amended, 47 U.S.C. §§ 521-613 (the "Cable Act"), the Borough previously established a Franchise Agreement with Comcast of Southeast Pennsylvania, LLC, providing Comcast the exclusive public utility easement in the Borough for offering cable television-related services throughout the Borough. The Franchise Agreement was executed in April 2007 for a term of twenty (20) years through March 2027.

In August 2019, through Resolution No. 1264 (Amendments to Cable Television Franchise Agreement Between Hanover Borough and Comcast of Southeast Pennsylvania, LLC) in accordance with Section 622 of the Cable Act, both the Borough and Comcast agreed to amend the Franchise Agreement, primarily to establish a franchise fee on gross revenues of Comcast relative to their television cable services within the Borough.

The Cable Act permits the application of a maximum 5% franchise fee on various television cable services and related equipment, charged to the provider as a means to value the exclusive public utility easement and rights within the Borough. The amendment limited the Borough's franchise fee to 3% on such cable television service charges and related equipment. In addition, language was revised relating to the transfer of the cable system or franchise to provide internal transfer of those rights to owned/controlled interests of Comcast, or to a relating trust if in order to secure indebtedness.

In order to satisfy the 3% franchise fees, subsequent to Section 542(f) of the Cable Act, Comcast is anticipating including the franchise fees as a pass-through billing on customer accounts for only cable television services and related equipment effective February 1, 2020. Franchise fees do not apply to any non-cable television services and equipment, including, but not limited to, the following: internet services and related equipment (i.e. modems, routers), telephone services and related equipment (i.e. modems, phones), and cellular services and devices.

A copy of the Franchise Agreement and recent amendment are herein attached to this press release for further information. Feel free to contact our offices if you desire additional information regarding the agreement, amendment, Cable Act, or program administration at (717) 637-3877 or 44 Frederick St, Hanover, PA 17331.

NO. 1264

RESOLUTION

**AMENDMENTS TO CABLE TELEVISION FRANCHISE
AGREEMENT BETWEEN HANOVER BOROUGH AND
COMCAST OF SOUTHEAST PENNSYLVANIA, LLC.**

WHEREAS, the Borough of Hanover ("Borough"), a municipality located in York County, Pennsylvania, granted a cable franchise to Comcast of Southeast Pennsylvania, LLC ("Comcast") by means of a Cable Television Franchise Agreement ("Agreement") dated April 1, 2007; and

WHEREAS, Section 2.2 of the Agreement sets the length of franchise term as 20 years such that the Agreement will expire on March 31, 2027, unless it is lawfully terminated prior to this date in accordance with the terms of the Agreement and federal law; and

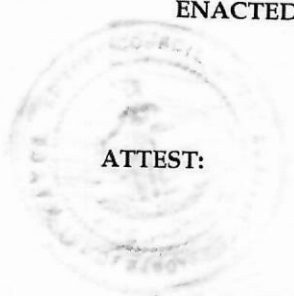
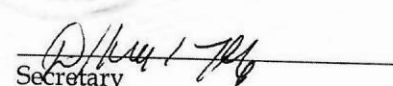
WHEREAS, the Borough wishes to amend the Agreement to implement a franchise fee pursuant to Section 622 of the federal Cable Act, 47 U.S.C. §542, and Comcast wishes to amend the Agreement to make changes to Section 8.1 of the Agreement entitled "Transfer of Cable System and Franchise;" and

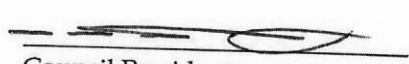
NOW THEREFORE, in consideration of the mutual promises contained herein and intending to be legally bound hereby, the Borough and Comcast agree to the attached Amendments to the Agreement.

ENACTED, RESOLVED AND APPROVED this 28th day of August, 2019.

ATTEST:

BOROUGH OF HANOVER



Secretary


Council President

Approved this 28th day of August, A.D., 2019.


Mayor



**AMENDMENTS TO CABLE TELEVISION FRANCHISE AGREEMENT
BETWEEN HANOVER BOROUGH AND COMCAST OF SOUTHEAST
PENNSYLVANIA, LLC**

WHEREAS, the Borough of Hanover ("Borough"), a municipality located in York County, Pennsylvania, granted a cable franchise to Comcast of Southeast Pennsylvania, LLC ("Comcast") by means of a Cable Television Franchise Agreement ("Agreement") dated April 1, 2007; and

WHEREAS, Section 2.2 of the Agreement sets the length of franchise term as 20 years such that the Agreement will expire on March 31, 2027, unless it is lawfully terminated prior to this date in accordance with the terms of the Agreement and federal law; and

WHEREAS, the Borough wishes to amend the Agreement to implement a franchise fee pursuant to Section 622 of the federal Cable Act, 47 U.S.C. §542, and Comcast wishes to amend the Agreement to make changes to Section 8.1 of the Agreement entitled "Transfer of Cable System and Franchise; and

NOW THEREFORE, in consideration of the mutual promises contained herein and intending to be legally bound hereby, the Borough and Comcast agree to the following Amendments to the Agreement ("Amendments") as follows:

1. Definition of "Gross Revenue"

Section 1.9 of the Agreement entitled "Definition of Gross Revenue" shall be amended by substitution in its entirety as follows:

"Gross Revenue" means revenue received by Comcast or its Affiliated Entities arising from, attributable to, or in any way derived from the operation of Comcast's Cable System in the Borough to provide Cable Services, as calculated in accordance with generally accepted accounting principles ("GAAP"). Gross Revenue shall include, but are not limited to, the following:

- (1) Basic Service fees;
- (2) fees charged to Subscribers for any Cable Service tier other than Basic Service;
- (3) fees charged for premium Cable Services;
- (4) fees for all digital video tiers;
- (5) fees for video-on-demand;
- (6) fees charged to Subscribers for any optional, per-channel or per-program Cable Services;
- (7) revenue from the provision of any other Cable Services;
- (8) charges for installation, additional outlets, relocation, disconnection, reconnection and change-in-service fees for Cable Service.

- (9) fees for changing any level of Cable Service programming;
- (10) fees for service calls pertaining to Cable Services;
- (11) inside wire maintenance fees for Cable Services;
- (12) service plan protection fees for Cable Services;
- (13) convenience fees;
- (14) early termination fees on Cable Services;
- (15) fees for Leased Access Channels;
- (16) charges based on the sale or lease of any portion of the Cable System for Cable Service;
- (17) rental or sales of any and all Cable Services equipment, including converters and remote control devices;
- (18) any and all locally-derived advertising revenues;
- (19) revenues or commissions from locally-derived home shopping channels;
- (20) broadcast retransmission fees;
- (21) regional sports fee;
- (22) late payment fees on Cable Services;
- (23) billing and collection fees on Cable Services;
- (24) NSF check charges; and
- (25) Franchise Fees.

Gross Revenue shall not include refundable deposits, investment income, programming launch support payments, nor any taxes, or other fees or assessments imposed or assessed by any governmental authority. Gross Revenue shall not include actual bad debt that is written off, consistent with generally accepted accounting principles ("GAAP"), provided however, that all or any part of any such actual bad debt that is written off, but subsequently collected, shall be included in the Gross Revenue in the period so collected. In the event of any dispute over the classification of revenue, the Borough and Comcast agree that reference should be made to GAAP as promulgated and defined by the Financial Accounting Standards Board ("FASB").

2. Transfer of Cable System or Franchise

Section 8.1 of the Agreement entitled "Transfer of Cable System or Franchise" shall be amended by substitution in its entirety as follows:

No transfer of control of Comcast, defined as an acquisition of 51% or greater direct ownership interest in Comcast, shall take place without prior written notice to the Borough. No notice shall be required, however, for the following: (i) a transfer in trust, by mortgage, hypothecation, or by assignment of any rights, title, or interest of the Comcast in the Franchise or in the Cable System in order to secure indebtedness; or (ii) a transfer to an entity directly or indirectly owned or controlled by Comcast.

3. Franchise Fees

The Agreement shall be amended to add a new Section 13 entitled "Franchise Fees" as follows:

SECTION 13 – Franchise Fees

(a) Comcast shall pay to the Borough an amount equal to three percent (3%) of the Gross Revenue derived from the operation of its Cable System to provide Cable Service in the Borough. Comcast shall not deduct or otherwise credit against the Franchise Fee any tax, fee or assessment of general applicability. The Borough may amend the Franchise Fee solely to reduce the franchise fee percentage upon written notice to Comcast. A copy of the Resolution or Ordinance authorizing the Franchise Fee adjustment by the Borough shall accompany such written notice. Any change in Comcast's Franchise Fee obligation contained herein shall commence within ninety (90) days from such written notice.

(b) Franchise Fee payments to the Borough under this provision shall be computed at the end of each calendar quarter. Such payments shall be made within forty-five (45) days following the end of each of the first three calendar quarters and sixty (60) days after the fourth calendar quarter. Specifically, payments shall be due and payable on or before May 15 (for the first quarter), August 15 (for the second quarter), November 15 (for the third quarter), and March 1 (for the fourth quarter). In the event that any Franchise Fee payment is not made on or before the date by which it is due, then interest calculated at the then-current prime rate, as published by the Wall Street Journal, shall be added to the amount of Franchise Fee revenue due to the Borough. The interest rate shall be applied as described from the date such Franchise Fee payment was originally due. No acceptance of any payment shall be construed as an accord that the amount paid is in fact the correct amount, nor shall acceptance of any payment be construed as a release of any claim the Borough may have for additional sums payable under this Agreement.

(c) Within ten (10) days of each Franchise Fee payment described herein, Comcast shall provide a written report containing an accurate statement of Comcast's Gross Revenue received for Cable Services for each calendar quarter in connection with the operation of Comcast's Cable System and showing the basis for the computation of fees. Specifically, the report shall contain line items for sources of revenue received and the amount of revenue received from each source. The report shall be verified by a financial representative of Comcast.

4. Term of Amendments

The term of these Amendments shall commence on the Effective Date, which shall be the date of the last signature below. The term of these Amendments shall run concurrently with the term of the Agreement and shall expire upon the expiration of the term of the Agreement.

10. 5. Severability

If any section, provision or clause of these Amendments is held by a court of competent jurisdiction to be unlawful, invalid or unenforceable, or is pre-empted by federal or state laws or regulations, such section, provision or clause shall be deemed to be severable from the remaining portions of this Amendments and shall not affect the legality, validity or enforceability of the remaining portions of this Amendments.

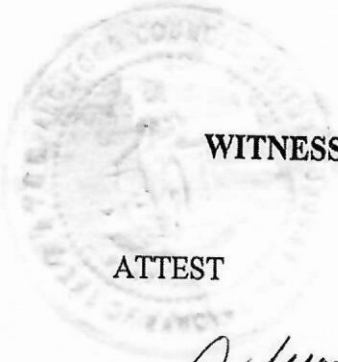
6. Governing Law

This Agreement shall be governed and construed by and in accordance with the laws of the Commonwealth of Pennsylvania. If suit is brought by a party to this Agreement, the parties agree that trial of such action shall be vested exclusively in the state courts of Pennsylvania, County of York, or in the United States District Court for the Middle District of Pennsylvania.

710. Applicability

All of the provisions in this Agreement shall bind Comcast, the Borough and their respective successors and assigns. This Agreement is authorized by Resolution No. 1264 dated August 28, 2019 of the Hanover Borough Council.

[SIGNATURES ON NEXT PAGE]



WITNESS our hands and official seals to these Cable Franchise Amendments.

ATTEST

D. Felix
Dorothy C. Felix, Secretary

BOROUGH OF HANOVER

By: *[Signature]*

Name (Print): William W. Reichart, II

Title: Council President

Date: August 28, 2019

ATTEST:

DocuSigned by:
Deanne Trent
2380D4E74756400...

COMCAST OF SOUTHEAST
PENNSYLVANIA, LLC

DocuSigned by:
By: *Michael Parker*
B3GA14288241408...

Name (Print): Michael Parker

Title: Regional SVP

Date: 11/26/2019

Per Kristen Ritchey, Comcast Franchise Rep, "The franchise fee will begin to appear on customer statements on February 1, 2020. We have several billing cycles, so some customers will see the change on Feb 1 and others won't see it until closer to the end of the month."

CABLE TELEVISION FRANCHISE AGREEMENT

This Franchise Agreement (hereinafter, the "Agreement" or "Franchise Agreement") is made between Hanover Borough (hereinafter, "Borough") and Comcast of Southeast Pennsylvania, LLC (hereinafter, "Grantee").

The Borough, having determined that the financial, legal, and technical ability of the Grantee is reasonably sufficient to provide the services, facilities, and equipment necessary to meet the future cable-related needs of the community, desires to enter into this Franchise Agreement with the Grantee for the construction, operation and maintenance of a Cable System on the terms and conditions set forth herein.

SECTION 1 - Definition of Terms

For the purposes of this Franchise Agreement, capitalized terms, phrases, words, and abbreviations shall have the meanings ascribed to them in the Cable Communications Policy Act of 1984, as amended, 47 U.S.C. §§ 521-613 (the "Cable Act"), unless otherwise defined herein.

1.1. "Customer" means a Person or user of the Cable System who lawfully receives Cable Service therefrom with the Grantee's express permission.

1.2. "Effective Date" means the date on which all persons necessary to sign this Agreement in order for it to be binding on both parties have executed this Agreement as indicated on the signature page(s), unless a specific date is otherwise provided in the "Term" section herein.

1.3. "FCC" means the Federal Communications Commission or successor governmental entity thereto.

1.4. "Franchise" means the initial authorization, or renewal thereof, issued by the Franchising Authority, whether such authorization is designated as a franchise, agreement, permit, license, resolution, contract, certificate, ordinance or otherwise, which authorizes the construction and operation of the Cable System.

1.5. "Franchise Agreement" or "Agreement" shall mean this Agreement and any amendments or modifications hereto.

1.6. "Franchise Area" means the present legal boundaries of the Borough as of the Effective Date, and shall also include any additions thereto, by annexation or other legal means.

1.7. "Franchising Authority" means the Borough or the lawful successor, transferee, designee, or assignee thereof.

1.8. "Grantee" shall mean Comcast of Southeast Pennsylvania, LLC.

1.9. "Gross Revenue" means the revenue derived by the Grantee from the operation of the Cable System in the Franchise Area to provide Cable Services, calculated in accordance with Generally Accepted Accounting Principles ("GAAP"), including monthly basic, premium and pay-per-view service fees (but excluding any portion of such revenues paid by Grantee to suppliers of such services), installation fees and equipment rental fees. Gross Revenue shall not include refundable deposits, bad debt, investment income, franchise fees, nor any taxes, fees or assessments imposed and/or assessed by any governmental authority.

1.10. "Person" means any natural person or any association, firm, partnership, joint venture, corporation, or other legally recognized entity, whether for-profit or not-for profit, but shall not mean the Franchising Authority.

1.11. "Public Way" shall mean the surface of, and the space above and below, any public street, highway, freeway, bridge, land path, alley, court, boulevard, sidewalk, way, lane, public way, drive, circle or other public right-of-way, including, but not limited to, public utility easements, dedicated utility strips, or rights-of-way dedicated for compatible uses and any temporary or permanent fixtures or improvements located thereon now or hereafter held by the Franchising Authority in the Franchise Area, which shall entitle the Grantee to the use thereof for the purpose of installing, operating, repairing, and maintaining the Cable System. Public Way shall also mean any easement now or hereafter held by the Franchising Authority within the Franchise Area for the purpose of public travel, or for utility or public service use dedicated for compatible uses, and shall include other easements or rights-of-way as shall within their proper use and meaning entitle the Grantee to the use thereof for the purposes of installing, operating, and maintaining the Grantee's Cable System over poles, wires, cables, conductors, ducts, conduits, vaults, manholes, amplifiers, appliances, attachments, and other property as may be ordinarily necessary and pertinent to the Cable System."

SECTION 2 - Grant of Authority

2.1. The Franchising Authority hereby grants to the Grantee under the Cable Act a nonexclusive Franchise authorizing the Grantee to construct and operate a Cable System in, along, among, upon, across, above, over, under, or in any manner connected with Public Ways within the Franchise Area, and for that purpose to erect, install, construct, repair, replace, reconstruct, maintain, or retain in, on, over, under, upon, across, or along any Public Way and all extensions thereof and additions thereto, such poles, wires, cables, conductors, ducts, conduits, vaults, manholes, pedestals, amplifiers, appliances, attachments, and other related property or equipment as may be necessary or appurtenant to the Cable System. Nothing in this Franchise shall be construed to prohibit the Grantee from offering any service over its Cable System that is not prohibited by federal or state law.

2.2. Term of Franchise. The term of the Franchise granted hereunder shall be twenty (20) years, commencing upon the Effective Date of the Franchise, unless the Franchise is renewed or is lawfully terminated in accordance with the terms of this Franchise Agreement and the Cable Act.

2.3. Renewal. Any renewal of this Franchise shall be governed by and comply with the provisions of Section 626 of the Cable Act, as amended [47 U.S.C. §546].

2.4. Reservation of Authority. Nothing in this Franchise Agreement shall (A) abrogate the right of the Franchising Authority to perform any public works or public improvements of any description, (B) be construed as a waiver of any codes or ordinances of general applicability promulgated by the Franchising Authority, or (C) be construed as a waiver or release of the rights of the Franchising Authority in and to the Public Ways.

2.5. Competitive Equity.

2.5.1. The Grantee acknowledges and agrees that the Franchising Authority reserves the right to grant one or more additional franchises to provide Cable Service within the Franchise Area; provided, however, that no such franchise agreement shall contain terms or conditions more favorable or less burdensome to the competitive entity than the material terms and conditions herein, including, but not limited to: franchise fees; insurance; system build-out requirements; performance bonds or similar instruments; public, education and government access channels and support; customer service standards; required reports and related record keeping; and notice and opportunity to cure breaches. If any such additional or competitive franchise is granted by the Franchising Authority which, in the reasonable opinion of the Grantee, contains more favorable or less burdensome terms or conditions than this Franchise Agreement, the Franchising Authority agrees that it shall amend this Franchise Agreement to include any more favorable or less burdensome terms or conditions.

2.5.2. In the event an application for a new cable television franchise is filed with the Franchising Authority proposing to serve the Franchising Area, in whole or in part, the Franchising Authority shall serve or require to be served a copy of such application upon any existing Grantee or incumbent cable operator by registered or certified mail or via nationally recognized overnight courier service.

SECTION 3 – Construction and Maintenance of the Cable System

3.1. Permits and General Obligations. The Grantee shall be responsible for obtaining, at its own cost and expense, all permits, licenses, or other forms of approval or authorization necessary to construct, operate, maintain or repair the Cable System, or any part thereof, prior to the commencement of any such activity. Construction, installation, and maintenance of the Cable System shall be performed in a safe, thorough and reliable manner using materials of good and durable quality. All transmission and distribution

structures, poles, other lines, and equipment installed by the Grantee for use in the Cable System in accordance with the terms and conditions of this Franchise Agreement shall be located so as to minimize the interference with the proper use of the Public Ways and the rights and reasonable convenience of property owners who own property that adjoins any such Public Way. This requirement shall not be interpreted or construed in any way to require the Grantee to obtain from the Franchising Authority prior approval, authorization, permits, or licenses to perform standard installations, routine maintenance or repair on any part of the Cable System.

3.2. Conditions on Street Occupancy.

3.2.1. New Grades or Lines. If the grades or lines of any Public Way within the Franchise Area are lawfully changed at any time during the term of this Franchise Agreement, then the Grantee shall, upon reasonable advance written notice from the Franchising Authority (which shall not be less than ten (10) business days) and at its own cost and expense, protect or promptly alter or relocate the Cable System, or any part thereof, so as to conform with any such new grades or lines. If public funds are available to any Person using such street or public right-of-way for the purpose of defraying the cost of any of the foregoing, the Franchising Authority shall upon written request of the Grantee make application for such funds on behalf of the Grantee.

3.2.2. Relocation at Request of Third Party. The Grantee shall, upon reasonable prior written request of any Person holding a permit issued by the Franchising Authority to move any structure, temporarily move its wires to permit the moving of such structure; provided (i) the Grantee may impose a reasonable charge on any Person for the movement of its wires, and such charge may be required to be paid in advance of the movement of its wires; and (ii) the Grantee is given not less than ten (10) business days advance written notice to arrange for such temporary relocation.

3.2.3. Restoration of Public Ways. If in connection with the construction, operation, maintenance, or repair of the Cable System, the Grantee disturbs, alters, or damages any Public Way, the Grantee agrees that it shall at its own cost and expense replace and restore any such Public Way to a condition reasonably comparable to the condition of the Public Way existing immediately prior to the disturbance.

3.2.4. Safety Requirements. The Grantee shall, at its own cost and expense, undertake all necessary and appropriate efforts to maintain its work sites in a safe manner in order to prevent failures and accidents that may cause damage, injuries or nuisances. All work undertaken on the Cable System shall be performed in substantial accordance with applicable FCC or other federal and state regulations. The Cable System shall not unreasonably endanger or interfere with the safety of Persons or property in the Franchise Area.

3.2.5. Trimming of Trees and Shrubbery. The Grantee shall have the authority to trim trees or other natural growth overhanging any of its Cable System in the Franchise Area so as to prevent contact with the Grantee's wires, cables, or other

equipment in accordance with the Borough's Shade tree Ordinance. All such trimming shall be done at the Grantee's sole cost and expense. The Grantee shall be responsible for any damage caused by such trimming.

3.2.6. Aerial and Underground Construction. If all of the transmission and distribution facilities of all of the respective public or municipal utilities in any area of the Franchise Area are underground, the Grantee shall place its Cable Systems' transmission and distribution facilities underground; provided that such underground locations are actually capable of accommodating the Grantee's cable and other equipment without technical degradation of the Cable System's signal quality. In any region(s) of the Franchise Area where the transmission or distribution facilities of the respective public or municipal utilities are both aerial and underground, the Grantee shall have the discretion to construct, operate, and maintain all of its transmission and distribution facilities, or any part thereof, aerially or underground. Nothing in this Section shall be construed to require the Grantee to construct, operate, or maintain underground any ground-mounted appurtenances such as customer taps, line extenders, system passive devices, amplifiers, power supplies, pedestals, or other related equipment.

SECTION 4 - Service Obligations

4.1. General Service Obligation. The Grantee shall make Cable Service available to every residential dwelling unit within the Franchise Area where the minimum density is at least thirty (30) dwelling units per mile for aerial plant and fifty (50) homes per mile for underground plant, and is within one (1) mile of the existing Cable System. Subject to the density requirement, Grantee shall offer Cable Service to all new homes or previously unserved homes located within 125 feet of the Grantee's distribution cable.

The Grantee may, in its sole discretion, elect to provide Cable Service to areas not meeting the above density and distance standards. The Grantee may impose an additional charge in excess of its regular installation charge for any service installation requiring a drop in or line extension in excess of the above standards. Any such additional charge shall be computed on a time plus materials basis to be calculated on that portion of the installation that exceeds the standards set forth above.

4.2. No Discrimination. Neither the Grantee nor any of its employees, agents, representatives, contractors, subcontractors, or consultants, nor any other Person, shall discriminate or permit discrimination between or among any Persons in the availability of Cable Services provided in connection with the Cable System in the Franchise Area. It shall be the right of all Persons to receive all available services provided on the Cable System so long as such Person's financial or other obligations to the Grantee are satisfied.

4.3. Prohibition Against Reselling Service. No Person shall resell, without the express prior written consent of the Grantee, any Cable Service, program or signal transmitted over the Cable System by the Grantee.

SECTION 5 - Fees and Charges to Customers

5.1. All rates, fees, charges, deposits and associated terms and conditions to be imposed by the Grantee or any affiliated Person for any Cable Service as of the Effective Date shall be in accordance with applicable FCC's rate regulations. Before any new or modified rate, fee, or charge is imposed, the Grantee shall follow the applicable FCC notice requirements and rules and notify affected Customers, which notice may be by any means permitted under applicable law.

SECTION 6 - Customer Service Standards; Customer Bills; and Privacy Protection

6.1. Customer Service Standards. The Franchising Authority hereby adopts the customer service standards set forth in Part 76 of the FCC's rules and regulations [47 C.F.R. §76.309]. The Grantee shall comply in all respects with the customer service requirements established by the FCC.

6.2. Customer Bills. Customer bills shall be designed in such a way as to present the information contained therein clearly and comprehensibly to Customers, and in a way that (A) is not misleading and (B) does not omit material information. Notwithstanding anything to the contrary in Section 6.1, above, the Grantee may, in its sole discretion, consolidate costs on Customer bills as may otherwise be permitted by Section 622 (c) of the Cable Act [47 U.S.C. §542 (c)].

6.3. Privacy Protection. The Grantee shall comply with all applicable federal and state privacy laws, including Section 631 of the Cable Act [47 U.S.C. §551] and regulations adopted pursuant thereto.

SECTION 7 - Oversight and Regulation by Franchising Authority

7.1. Oversight of Franchise. In accordance with applicable law, the Franchising Authority shall have the right to oversee, regulate and, on reasonable prior written notice and in the presence of Grantee's employees, periodically inspect the construction, operation and maintenance of the Cable System in the Franchise Area, and all parts thereof, as necessary to monitor Grantee's compliance with the provisions of this Franchise Agreement.

7.4. Technical Standards. The Grantee shall comply with all applicable technical standards of the FCC as published in subpart K of 47 C.F.R. § 76. To the extent those standards are altered, modified, or amended during the term of this Franchise, the Grantee shall comply with such altered, modified or amended standards within a reasonable period after such standards become effective. The Franchising Authority shall have, upon written request, the right to obtain a copy of tests and records required to be performed pursuant to the FCC's rules.

7.5. Maintenance of Books, Records, and Files.

7.5.1. Books and Records. Throughout the term of this Franchise Agreement, the Grantee agrees that the Franchising Authority, upon reasonable prior written notice to the Grantee, may review such of the Grantee's books and records regarding the operation of the Cable System and the provision of Cable Service in the Franchise Area which are reasonably necessary to monitor Grantee's compliance with the provisions of this Franchise Agreement at the Grantee's business office, during normal business hours, and without unreasonably interfering with Grantee's business operations. Such books and records shall include any records required to be kept in a public file by the Grantee pursuant to the rules and regulations of the FCC. All such documents pertaining to financial matters that may be the subject of an inspection by the Franchising Authority shall be retained by the Grantee for a minimum period of three (3) years.

7.5.2. File for Public Inspection. Throughout the term of this Franchise Agreement, the Grantee shall maintain at its business office, in a file available for public inspection during normal business hours, those documents required pursuant to the FCC's rules and regulations.

7.5.3. Proprietary Information. Notwithstanding anything to the contrary set forth in this Section, the Grantee shall not be required to disclose information which it reasonably deems to be proprietary or confidential in nature. The Franchising Authority agrees to treat any information disclosed by the Grantee as confidential and only to disclose it to those employees, representatives, and agents of the Franchising Authority that have a need to know in order to enforce this Franchise Agreement and who agree to maintain the confidentiality of all such information. The Grantee shall not be required to provide Customer information in violation of Section 631 of the Cable Act [47 U.S.C. § 551] or any other applicable federal or state privacy law. For purposes of this Section, the terms "proprietary or confidential" include, but are not limited to, information relating to the Cable System design, customer lists, marketing plans, financial information unrelated to the calculation of franchise fees or rates pursuant to FCC rules, or other information that is reasonably determined by the Grantee to be competitively sensitive. In the event that the Franchising Authority receives a request under a state "sunshine," public records or similar law for the disclosure of information the Grantee has designated as confidential, trade secret or proprietary, the Franchising Authority shall promptly notify Grantee of such request and cooperate with Grantee in its efforts to protect its rights.

SECTION 8 – Transfer of Cable System or Franchise

8.1. Neither the Grantee nor any other Person may transfer the Cable System or the Franchise without the prior written consent of the Franchising Authority, which consent shall not be unreasonably withheld or delayed. No consent shall be required, however, for (i) a transfer in trust, by mortgage, hypothecation, or by assignment of any rights, title, or interest of the Grantee in the Franchise or in the Cable System in order to secure indebtedness, or (ii) a transfer to an entity directly or indirectly owned or controlled by Comcast Corporation. Within thirty (30) days of receiving a request for consent, the Franchising Authority shall, in accordance with FCC rules and regulations, notify the Grantee in writing of the additional information, if any, it requires to determine the legal, financial and technical qualifications of the transferee or new controlling party. If the Franchising Authority has not taken action on the Grantee's request for consent within one hundred twenty (120) days after receiving such request, consent shall be deemed given.

SECTION 9 - Insurance and Indemnity

9.1. **Insurance.** Throughout the term of this Franchise Agreement, the Grantee shall, at its own cost and expense, maintain Comprehensive General Liability Insurance and provide the Franchising Authority certificates of insurance designating the Franchising Authority and its officers, boards, commissions, councils, elected officials, agents and employees as additional insureds and demonstrating that the Grantee has obtained the insurance required in this Section. Such policy or policies shall be in the minimum amount of One Million Dollars (\$1,000,000.00) for bodily injury or death to any one person, and One Million Dollars (\$1,000,000.00) for bodily injury or death of any two or more persons resulting from one occurrence, and One Million Dollars (\$1,000,000.00) for property damage resulting from any one accident. Such policy or policies shall be non-cancelable except upon thirty (30) days prior written notice to the Franchising Authority. The Grantee shall provide workers' compensation coverage in accordance with applicable law. The Grantee shall indemnify and hold harmless the Franchising Authority from any workers compensation claims to which the Grantee may become subject during the term of this Franchise Agreement

9.2. **Indemnification.** The Grantee shall indemnify, defend and hold harmless the Franchising Authority, its officers, employees, and agents from and against any liability or claims resulting from property damage or bodily injury (including accidental death) that arise out of the Grantee's construction, operation, maintenance or removal of the Cable System, including, but not limited to, reasonable attorneys' fees, provided that the Franchising Authority shall give the Grantee written notice of its obligation to indemnify and defend the Franchising Authority within ten (10) business days of receipt of a claim or action pursuant to this Section. If the Franchising Authority determines that it is necessary for it to employ separate counsel, the costs for such separate counsel shall be the responsibility of the Franchising Authority.

SECTION 10 - System Description and Service

10.1. System Capacity. During the term of this Agreement, Grantee's Cable System shall be capable of providing a wide variety of video programming choices, including two-way interactive service, with reception available to its customers in the Franchise Area in accordance with FCC technical standards.

10.2. Service to School Buildings. The Grantee shall provide free "Basic" and "Expanded Basic" tier Cable Service and free installation at one outlet to (a) each public K-12 school and (b) each non-public K-12 school that receives funding pursuant to Title I of the Elementary and Secondary Education Act of 1965, 20 U.S.C. § 6301 *et seq.*, as amended, not including "home schools," located in the Franchise Area within 125 feet of the Grantee's distribution cable.

10.3. Service to Governmental and Institutional Facilities. The Grantee shall provide free "Basic" and "Expanded Basic" tier Cable Service and free installation at one outlet to each municipal building located in the Franchise Area within 125 feet of the Grantee's distribution cable. "Municipal buildings" are those buildings owned or leased by the Franchising Authority for government administrative purposes, and shall not include buildings owned by Franchising Authority but leased to third parties or buildings such as storage facilities at which government employees are not regularly stationed.

SECTION 11 - Enforcement and Termination of Franchise

11.1. Notice of Violation or Default. In the event the Franchising Authority believes that the Grantee has not complied with the material terms of the Franchise, it shall notify the Grantee in writing with specific details regarding the exact nature of the alleged noncompliance or default.

11.2. Grantee's Right to Cure or Respond. The Grantee shall have forty-five (45) days from the receipt of the Franchising Authority's written notice: (A) to respond to the Franchising Authority, contesting the assertion of noncompliance or default; or (B) to cure such default; or (C) in the event that, by nature of the default, such default cannot be cured within the forty-five (45) day period, initiate reasonable steps to remedy such default and notify the Franchising Authority of the steps being taken and the projected date that they will be completed.

11.3. Public Hearings. In the event the Grantee fails to respond to the Franchising Authority's notice or in the event that the alleged default is not remedied within sixty (60) days or the date projected by the Grantee, the Franchising Authority may schedule a public hearing to investigate the default. Such public hearing shall be held at the next regularly scheduled meeting of the Franchising Authority that is scheduled at a time that is no less than ten (10) business days therefrom. The Franchising

Authority shall notify the Grantee in writing of the time and place of such meeting and provide the Grantee with a reasonable opportunity to be heard.

11.4. Enforcement. Subject to applicable federal and state law, in the event the Franchising Authority, after such public hearing, determines that the Grantee is in default of any provision of the Franchise, the Franchising Authority may:

11.4.1. seek specific performance of any provision that reasonably lends itself to such remedy as an alternative to damages, or seek other equitable relief; or

11.4.2. in the case of a substantial default of a material provision of the Franchise, declare the Franchise Agreement to be revoked in accordance with the following:

(i) The Franchising Authority shall give written notice to the Grantee of its intent to revoke the Franchise on the basis of a pattern of noncompliance by the Grantee, including one or more instances of substantial noncompliance with a material provision of the Franchise. The notice shall set forth with specificity the exact nature of the noncompliance. The Grantee shall have ninety (90) days from the receipt of such notice to object in writing and to state its reasons for such objection. In the event the Franchising Authority has not received a response from the Grantee or upon receipt of the response does not agree with the Grantee's proposed remedy, it may then seek termination of the Franchise at a public hearing. The Franchising Authority shall cause to be served upon the Grantee, at least ten (10) days prior to such public hearing, a written notice specifying the time and place of such hearing and stating its intent to request termination of the Franchise.

(ii) At the designated hearing, the Franchising Authority shall give the Grantee an opportunity to state its position on the matter, present evidence and question witnesses, after which it shall determine whether or not the Franchise shall be revoked. The public hearing shall be on the record and a written transcript shall be made available to the Grantee within ten (10) business days. The decision of the Franchising Authority shall be in writing and shall be delivered to the Grantee by certified mail. The Grantee may appeal such determination to an appropriate court, which shall have the power to review the decision of the Franchising Authority "de novo" and to modify or reverse such decision as justice may require. Such appeal to the appropriate court must be taken within sixty (60) days of the issuance of the determination of the Franchising Authority.

11.5. Technical Violation. The Franchising Authority agrees that it is not its intention to subject the Grantee to penalties, fines, forfeitures or revocation of the Franchise for so-called "technical" breach(es) or violation(s) of the Franchise, which shall include, but not be limited, to the following:

11.5.1. in instances or for matters where a violation or a breach of the Franchise by the Grantee was good faith error that resulted in no or minimal negative impact on the Customers within the Franchise Area; or

11.5.2. where there existed circumstances reasonably beyond the control of the Grantee and which precipitated a violation by the Grantee of the Franchise, or which were deemed to have prevented the Grantee from complying with a term or condition of the Franchise.

SECTION 12 - Miscellaneous Provisions

12.1. Force Majeure. The Grantee shall not be held in default under, or in noncompliance with, the provisions of the Franchise, nor suffer any enforcement or penalty relating to noncompliance or default (including termination, cancellation or revocation of the Franchise), where such noncompliance or alleged defaults occurred or were caused by strike, riot, war, earthquake, flood, tidal wave, unusually severe rain or snow storm, hurricane, tornado or other catastrophic act of nature, labor disputes, failure of utility service necessary to operate the Cable System, governmental, administrative or judicial order or regulation or other event that is reasonably beyond the Grantee's ability to anticipate or control. This provision also covers work delays caused by waiting for utility providers to service or monitor their own utility poles on which the Grantee's cable or equipment is attached, as well as unavailability of materials or qualified labor to perform the work necessary.

12.2. Notice. All notices shall be in writing and shall be sufficiently given and served upon the other party by hand delivery, first class mail, registered or certified, return receipt requested, postage prepaid, or by reputable overnight courier service and addressed as follows:

To the Franchising Authority:

Hanover Borough
44 Frederick Street
Hanover, PA 17331
Attn: Borough Manager

To the Grantee:

Comcast
1004 Cornerstone Blvd.
Downingtown, PA 19335
Attn: Government Affairs

with a copy to:

Comcast
1500 Market Street
Philadelphia, PA 19102
Attn.: Government Affairs Department

12.3. Entire Agreement. This Franchise Agreement, including all Exhibits, embodies the entire understanding and agreement of the Franchising Authority and the Grantee with respect to the subject matter hereof and supersedes all prior understandings, agreements and communications, whether written or oral. All ordinances or parts of ordinances that are in conflict with the provisions of this Franchise Agreement are superseded by this Franchise Agreement.

12.4. Severability. If any section, subsection, sentence, clause, phrase, or other portion of this Franchise Agreement is, for any reason, declared invalid, in whole or in part, by any court, agency, commission, legislative body, or other authority of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent portion. Such declaration shall not affect the validity of the remaining portions hereof, which other portions shall continue in full force and effect.

12.5. Governing Law. This Franchise Agreement shall be deemed to be executed in the Commonwealth of Pennsylvania, and shall be governed in all respects, including validity, interpretation and effect, and construed in accordance with, the laws of the Commonwealth of Pennsylvania, as applicable to contracts entered into and performed entirely within the Commonwealth.

12.6. Modification. No provision of this Franchise Agreement shall be amended or otherwise modified, in whole or in part, except by an instrument, in writing, duly executed by the Franchising Authority and the Grantee, which amendment shall be authorized on behalf of the Franchising Authority through the adoption of an appropriate resolution or order by the Franchising Authority, as required by applicable law.

12.7. No Third-Party Beneficiaries. Nothing in this Franchise Agreement is or was intended to confer third-party beneficiary status on any member of the public to enforce the terms of this Franchise Agreement.

12.8. No Waiver of Rights. Nothing in this Franchise Agreement shall be construed as a waiver of any rights, substantive or procedural, Grantee may have under federal or state law unless such waiver is expressly stated herein.

IN WITNESS WHEREOF, this Franchise Agreement has been executed this 1ST day of APRIL, 2007, by the duly authorized representatives of the parties as set forth below, as of the date set forth below:

Attest:

Brian Robert
Secretary

HANOVER BOROUGH:

By: John A. Gerken President
Name: John Gerken
Title: Council President

Attest:

David R. Breidinger

Comcast of Southeast Pennsylvania, LLC

By: David R. Breidinger
Print Name: David R. Breidinger
Title: Division Vice President
Government and Regulatory Affairs
Eastern Division